

Mark G. Ledwin, Esq.
WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP
Attorneys for The Hartford
1133 Westchester Avenue
White Plains, NY 10604
Tel: 914-872-7148
Fax: 914-323-7001
Email: mark.ledwin@wilsonelser.com

Hearing Date: 12/01/2015 at 11:00 a.m.
Objections Due: 11/24/2015

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:) Case No. 13-13240-SHL
)
NEW YORK CITY OPERA, INC.,) Chapter 11
)
Debtor.)
)

**NOTICE OF HEARING ON MOTION BY THE HARTFORD FOR
RELIEF FROM THE AUTOMATIC STAY TO PERMIT A SETOFF**

PLEASE TAKE NOTICE that a hearing (the “**Hearing**”) on the Motion by The Hartford for relief from the automatic stay to permit a set off and/or for recoupment (the “**Motion**”) will be held before the Honorable Sean H. Lane, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York (“**Bankruptcy Court**”), Alexander Hamilton Custom House, One Bowling Green, Room 701, New York, New York 10004, on **December 1, 2015 at 11:00 a.m. (Eastern Time)** (the “**Hearing**”).

PLEASE TAKE FURTHER NOTICE that responses or objections, if any, to the relief requested in the Motion must be electronically filed with the Bankruptcy Court and served on the undersigned counsel for The Hartford , together with proof of service, in accordance with General Order M-399 (with a hard copy delivered to Chambers) so as to be *actually received* not later than **4:00 p.m. (Eastern Time) on November 24, 2015** (the “**Objection Deadline**”).

PLEASE TAKE FURTHER NOTICE that if no objections are timely filed and served with respect to the Motion, the proposed order annexed to the Motion may be entered by the Bankruptcy Court with no further notice or opportunity to be heard.

Dated: White Plains, NY
November 2, 2015

Respectfully,

WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP

/s/ Mark G. Ledwin

By: Mark G. Ledwin, Esq.
1133 Westchester Avenue
White Plains, NY 10604
Tel: 914-872-7148
Fax: 914-323-7001
Email: mark.ledwin@wilsonelser.com

Attorneys for The Hartford

CERTIFICATE OF SERVICE

Mark G. Ledwin, an attorney duly admitted to practice before this Court, hereby certifies that on the 2nd day of November, 2015, I caused a true and correct copy of the foregoing Notice of Hearing, Motion and Exhibits to be served by first class U.S. mail, postage prepaid, upon each of the persons listed below, and via the Court's CM/ECF system upon all other parties in interest.

Kenneth A. Rosen
Nicole Stefanelli
LOWENSTEIN SANDLER LLP
Counsel for Debtor
1251 Avenue of the Americas
New York, NY 10020

Maeghan J. McLoughlin
Sean C. Southard
KLESTADT & WINTERS LLP
Counsel for the Unsecured Creditors' Committee
200 West 41st Street, 17th Floor
New York, NY 10036

Susan D. Golden
OFFICE OF THE U.S. TRUSTEE
33 Whitehall Street
New York, NY 10004

Dated: White Plains, NY
November 2, 2015

/s/ Mark G. Ledwin
Mark G. Ledwin, Esq.

Mark G. Ledwin, Esq.
WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP
Attorneys for The Hartford
1133 Westchester Avenue
White Plains, NY 10604
Tel: 914-872-7148
Fax: 914-323-7001
Email: mark.ledwin@wilsonelser.com

Hearing Date: 12/01/2015 at 11:00 a.m.
Objections Due: 11/24/2015

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Case No. 13-13240-SHL
)	
NEW YORK CITY OPERA, INC.:)	Chapter 11
)	
Debtor.)	
)	

**MOTION BY THE HARTFORD FOR RELIEF FROM
THE AUTOMATIC STAY TO PERMIT A SETOFF**

Hartford Underwriters Insurance Company (“The Hartford”), hereby submits this motion for relief from the automatic stay (the “Motion”)¹ so as to permit the setoff and/or recoupment of certain premiums and credits arising out of several insurance policies issued by The Hartford (or one or more of its affiliated underwriting companies) to debtor New York City Opera, Inc. In support of this Motion, The Hartford respectfully states as follows:

BACKGROUND

1. On October 3, 2013 (the “Petition Date”), debtor New York City Opera, Inc. (“Debtor”) filed with this Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

¹ A draft copy of this Motion was emailed to counsel for the Debtor and the Unsecured Creditors’ Committee on October 15, 2015, by the undersigned counsel for Hartford with a request that the relief requested herein be consented to or resolved. No response was received to that inquiry.

2. The Hartford issued three insurance policies to the Debtor providing insurance coverage for, *inter alia*, workers compensation and employer's liability, commercial liability and commercial property damage, to wit:

- (a) Workers Compensation and Employers Liability Policy No. 30 WE CK5773 with a coverage period of 10/1/2012 to 10/01/2013;
- (b) Multi-Flex Policy No. 30 UUM AM0127 with a coverage period of 07/01/2013 to 07/01/2014; and
- (c) Spectrum Policy No. 30 SBM BT4828 with a coverage period of 06/30/2014 to 06/30/2015.

Each of the foregoing insurance policies are collectively referred to herein as the "Policies." True and correct copies of the Declarations Pages for the Policies are annexed hereto as Exhibit A.

3. Under each of the Policies, the Debtor was required to make periodic monthly payments to The Hartford for the premiums owed under the Policies. Debtor failed to pay all of the premiums owed under some of the Policies leaving a balance due of \$31,908.05. Nevertheless, as a result of certain premium adjustments made to the Policies, the Debtor became entitled to a credit of \$13,265.42. Absent the bankruptcy filing, The Hartford would have netted these debits and credits against each other leaving a balance owed by the Debtor of \$18,642.63.

4. A true and correct copy of a billing statement for Debtor showing the exact amounts of the debits and credits owed or due under each Policy is annexed hereto as Exhibit B.

JURISDICTION

5. This Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334, and Bankruptcy Rules 6006 and 9014. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A) and (G).

6. Venue in this Court is proper pursuant to 28 U.S.C. § 1409.

7. The statutory predicates for the relief sought in this Motion are found in Sections 105(a), 362(a)(7), 362(d)(1) and 553(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.*

ARGUMENT

A. "Cause" Exists To Modify The Automatic Stay To Permit The Hartford To Exercise Its Setoff Rights

8. "Cause" exists to modify the automatic stay under section 362(d)(1) to permit The Hartford to offset the premiums owed to it by the Debtor under the Policies against the credits that are owed to the Debtor under those same Policies. Section 362(a)(7) of the Bankruptcy Code provides that the filing of a voluntary petition operates as an automatic stay, applicable to all parties, against "the setoff of any debt owing to the debtor that arose before the commencement of the case under this title against any claim against the debtor." 11 U.S.C. § 362(a)(7). However, Section 362(a)(7) "does not affect the right of" a creditor to setoff, but rather "simply stays its enforcement pending an orderly examination of the debtors' and creditors' rights." H.R. Rep. No. 95-595, at 342 (1977); S. Rep. No. 95-989, at 51 (1978). Thus, a party may still exercise its right of setoff in a bankruptcy proceeding, but must first obtain relief from the automatic stay or obtain an order allowing setoff prior to exercising any such right. *In re Wicks*, 176 B.R. 695, 698 (Bankr. E.D.N.Y. 1995).

9. Section 362(d)(1) of the Bankruptcy Code provides that a court shall grant relief from the automatic stay "for cause." 11 U.S.C. § 362(d)(1). Although the Bankruptcy Code does not define "cause," courts have recognized that "cause" under section 362(d)(1) must be determined on a case-by-case basis. See *In re Tucson Estates*, 912 F.2d 1162, 1166 (9th Cir.1990). Courts have stated that where a creditor has established a right to setoff, the creditor has also made a *prima facie* showing of "cause" for relief from the automatic stay. *In re Nuclear*

Imaging Sys., Inc., 260 B.R. 724, 730 (Bankr. E.D. Pa. 2000); *In re Ealy*, 392 B.R. 408, 414 (Bankr. E.D. Ark. 2008); *In re Cullen*, 329 B.R. 52, 56-57 (Bankr. N.D. Iowa 2005).

10. Here, The Hartford has a valid right to offset the premiums owed under the Policies against any credits that rise under those same Policies. *See Exhibit B annexed hereto.* Since The Hartford has a valid right to setoff the premiums owed, The Hartford has made a *prima facie* showing of “cause” for relief from the automatic stay. *See In re Nuclear*, 260 B.R. at 730.

11. Once a creditor establishes its right of setoff, the burden then shifts to the debtor to rebut the *prima facie* showing of cause to lift the stay. *Id.* Compelling circumstances must be shown before a court may disregard sanctioned setoff rights. *In re Bennett Funding Grp., Inc.*, 146 F.3d 136, 139-41 (2d Cir. 1998). No such compelling circumstances exist here. To the contrary, the circumstances dictate that The Hartford should be permitted to effectuate self-help and setoff. Thus, The Hartford submits that “cause” exists to modify the automatic stay under section 362(d)(1) to permit the exercise of such self-help and setoff rights.

B. The Hartford Is Also Entitled To Exercise Its Rights Under The Doctrine Of Recoupment For Which No Stay Relief Is Required

12. Recoupment is a common law doctrine which arose as an equitable rule of joinder to avoid the necessity of bringing separate actions for two claims. It permits a defendant to defend against the plaintiff by asserting a countervailing claim that arose out of the “same transaction.” *In re Denby Stores, Inc.*, 86 BR 768, 781 (Bankr. S.D.N.Y. 1988).

13. The doctrine of recoupment is thus commonly defined as “the setting up of a demand arising from the same transaction as the plaintiff’s claim or cause of action, strictly for the purpose of abatement or reduction of such claim.” 4 *Collier on Bankruptcy* § 553.03, at 553-15-17. Recoupment “does not require a mutuality of obligation, but rather countervailing

claims or demands arising out of the same transaction under which the initial claim was asserted.” *See Long term Disability Plan of Hoffman-LaRoche, Inc. v. Hiller (In re Hiller)*, 99 B.R. 238, 241 (Bankr. D.N.J. 1989). The distinction between setoff and recoupment is whether the claim arises out of the same or different transactions. *Id.* So long as the creditor’s claim arises out of the same transaction as the debtor’s claim, that claim may be recouped against the debt owed to the debtor without concern for the limitations the Bankruptcy Code places on the setoff doctrine. *See In re Davidovich*, 901 F.2d 1533, 1537 (10th Cir. 1990). Moreover, the equitable doctrine of recoupment is not limited to pre-petition claims; therefore, recoupment “may be employed to recover across the petition date.” *Sims v. U.S. Dep’t of Health and Human Serv. (In re TLC Hosp., Inc.)*, 224 F.3d 1008, 1011 (9th Cir. 2000).

14. Significantly, because funds subject to recoupment are not the debtor’s property, the automatic stay imposed upon the filing of a bankruptcy petition does not bar recoupment. *In re Malinowski*, 156 F.3d 131 (2d Cir. 1998). Instead, the trustee or debtor in bankruptcy takes the estate property subject to any recoupment rights. *In re Holford*, 896 F.2d 176, 178 (5th Cir. 1990) (citation omitted); *Aetna U.S. Healthcare, Inc. v. Madigan (In re Madigan)*, 270 B.R. 749, 754 (BAP 9th Cir. 2001).

15. Thus, to the extent that setoff may not be permitted under Section 553(a) of the Bankruptcy Code, Hartford is nevertheless entitled to recoup the premiums owed by Debtor under the Policies from the credits due to the Debtor under those very same Policies.

WHEREFORE, The Hartford respectfully requests that this Court enter the proposed order submitted herewith granting this Motion and lifting the automatic stay imposed by 11 U.S.C. § 362, to the extent necessary, so as to permit The Hartford to effectuate the setoff and/or recoupment as more fully described in this Motion, together with such additional relief as this Court deems just and proper.

Dated: White Plains, NY
November 2, 2015

Respectfully,

WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP

/s/ Mark G. Ledwin

By: Mark G. Ledwin, Esq.
1133 Westchester Avenue
White Plains, NY 10604
Tel: 914-872-7148
Fax: 914-323-7001
Email: mark.ledwin@wilsonelser.com

Attorneys for The Hartford

CERTIFICATE OF SERVICE

Mark G. Ledwin, an attorney duly admitted to practice before this Court, hereby certifies that on the 2nd day of November, 2015, I caused a true and correct copy of the foregoing Notice of Hearing, Motion and Exhibits to be served by first class U.S. mail, postage prepaid, upon each of the persons listed below, and via the Court's CM/ECF system upon all other parties in interest.

Kenneth A. Rosen
Nicole Stefanelli
LOWENSTEIN SANDLER LLP
Counsel for Debtor
1251 Avenue of the Americas
New York, NY 10020

Maeghan J. McLoughlin
Sean C. Southard
KLESTADT & WINTERS LLP
Counsel for the Unsecured Creditors' Committee
570 Seventh Ave., 17th Floor
New York, NY 10018

Susan D. Golden
OFFICE OF THE U.S. TRUSTEE
33 Whitehall Street
New York, NY 10004

Dated: White Plains, NY
November 2, 2015

/s/ Mark G. Ledwin
Mark G. Ledwin, Esq.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Case No. 13-13240-SHL
)	
NEW YORK CITY OPERA, INC.,)	Chapter 11
)	
Debtor.)	
)	

**ORDER GRANTING MOTION BY THE HARTFORD FOR RELIEF
FROM THE AUTOMATIC STAY TO PERMIT A SETOFF**

THIS matter having come before the Court upon the motion of Hartford Underwriters Insurance Company (“The Hartford”) for relief from the automatic stay (the “Motion”) pursuant to Sections 105(a), 362(a)(7), 362(d)(1) and 553(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.*, so as to permit the setoff and/or recoupment of certain premiums and credits arising out of several insurance policies issued by The Hartford (or one or more of its affiliated underwriting companies) to debtor New York City Opera, Inc. as more fully described in the Motion; and the Court having conducted a hearing on the Motion on December 1, 2015 (the “Hearing”) and any objections or responses filed in response thereto; and good and sufficient notice of the Motion and the Hearing having been given; and after due deliberation, the Court having concluded at the Hearing that good and sufficient cause exists to grant the relief requested by the Motion; now, therefore

IT IS HEREBY ORDERED that the Motion is GRANTED and the automatic stay is hereby vacated so as to permit The Hartford to effectuate the set offs and/or recoupments as more fully described in the Motion.

Dated: New York, New York
December __, 2015

HON. SEAN H. LANE
United States Bankruptcy Judge

EXHIBIT A

73 (Policy Provisions: WC 00 00 00 B)

57

CK **INFORMATION PAGE**

WE **WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY**

INSURER: SEE ATTACHED ENDORSEMENT

NCCI Company Number:

10448

Company Code: 9



POLICY NUMBER: 30 WE CK5773
Previous Policy Number: NEW

Suffix
LARS RENEWAL
00

HOUSING CODE: K3

1. **Named Insured and Mailing Address:** NEW YORK CITY OPERA, INC.
(No., Street, Town, State, Zip Code)

75 BROAD ST, STE 1010
FEIN Number: 132974347 NEW YORK, NY 10004

State Identification Number(s):

The Named Insured is: NON PROFIT

Business of Named Insured: THEATRICAL COMPANIES - TRAVELI

Other workplaces not shown above: SEE ATTACHED SCHEDULES

2. **Policy Period:** From 10/01/12 To 10/01/13
12:01 a.m., Standard time at the insured's mailing address.

Producer's Name: MAURY DONNELLY & PARR INC

24 COMMERCE STREET
BALTIMORE, MD 21202

Producer's Code: 720261

Issuing Office: THE HARTFORD

8711 UNIVERSITY EAST DRIVE
CHARLOTTE NC 28213
(877) 853-2582

Total Estimated Annual Premium: \$92,325

Deposit Premium:

Policy Minimum Premium: \$850 NJ

Audit Period: ANNUAL

Installment Term:

The policy is not binding unless countersigned by our authorized representative.

Countersigned by

Authorized Representative

Date

INFORMATION PAGE (Continued)

Policy Number: 30 WE CK5773

3. A. Workers Compensation Insurance: Part one of the policy applies to the Workers Compensation Law of the states listed here: NJ, NY

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in Item 3.A. The limits of our liability under Part Two are:

Bodily injury by Accident	\$100,000	each accident
Bodily injury by Disease	\$500,000	policy limit
Bodily injury by Disease	\$100,000	each employee

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here:

ALL STATES EXCEPT ND, OH, WA, WY, AND
STATES DESIGNATED IN ITEM 3.A. OF THE INFORMATION PAGE.

D. This policy includes these endorsements and schedule:

WC 99 00 05 WC 00 04 06 WC 00 04 21C WC 00 04 22A WC 00 04 14
WC 00 04 19 WC 29 03 06B WC 31 03 08 WC 31 03 19F

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

Classifications Code Number and Description	Premium Basis Total Estimated Annual Remuneration	Rates Per \$100 of Remuneration	Estimated Annual Premium
--	--	--	---

(SEE ATTACHED SCHEDULES)

TOTAL PREMIUM SUBJECT TO EXPERIENCE MODIFICATION	57,165
PREMIUM ADJUSTED BY APPLICATION OF EXPERIENCE MODIFICATION	77,744
SCHEDULE MODIFICATION	-919
TOTAL ESTIMATED ANNUAL STANDARD PREMIUM	81,419
PREMIUM DISCOUNT	-7,930
EXPENSE CONSTANT (0900)	220
TOTAL ESTIMATED STATE SURCHARGE	15,555
TERRORISM (9740)	2,448
TERRORISM (9740) PER CAPITA	0
CATASTROPHE (9741)	613
CATASTROPHE (9741) PER CAPITA	0
TOTAL ESTIMATED ANNUAL PREMIUM	92,325

Total Estimated Annual Premium: \$92,325

Deposit Premium:
Policy Minimum Premium: \$850 NJ

Interstate/Intrastate Identification Number:

Labor Contractors Policy Number:

NAICS:

SIC: 7922



SCHEDULE OF OPERATIONS

This Schedule of Operations forms a part of the policy effective on the inception date of the policy unless another date is indicated below:

INSURER: HARTFORD UNDERWRITERS INSURANCE COMPANY

Company Code: 6

Policy Number: 30 WE CK5773 **Schedule Number:** 01-29-01

Effective Date: 10/01/12 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Location Address of operations covered by this schedule:

NEW YORK CITY OPERA, INC.

2220 91ST ST

NORTH BERGEN NJ 07047

NAICS:

FEIN: 132974347

NJ TIN: 000132974347

SIC: 7922

NO. OF EMPL: 1

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

Classifications Code Number and Description	Premium Basis Total Estimated Annual Remuneration	Rates Per \$100 of Remuneration	Estimated Annual Premium
8292 WAREHOUSING NOC	44,515	10.32	4,594
<hr/>			
TOTAL CLASS PREMIUM			4,594
NJ - SCHEDULE MODIFICATION (0.800)	(9887)		-919
PREMIUM ADJUSTED BY SCHEDULE MODIFICATION			3,675
TOTAL ESTIMATED ANNUAL STANDARD PREMIUM			3,675
EXPENSE CONSTANT (0900)			220
NJ ESTIMATED 2ND INJURY FUND SURCHARGE	7.820 PERCENT		359
NJ ESTIMATED UNINSURED EMPLOYERS FUND SURCHARGE	.170 PERCENT		8
TERRORISM (9740)	44,515	.030	13
CATASTROPHE (9741)	44,515	.010	4
TOTAL ESTIMATED ANNUAL PREMIUM			4,279

Countersigned by _____

Authorized Representative

Form WC 99 00 05 (1) Printed in U.S.A.

Process Date: 10/02/12

Policy Expiration Date: 10/01/13



SCHEDULE OF OPERATIONS

This Schedule of Operations forms a part of the policy effective on the inception date of the policy unless another date is indicated below:

INSURER: HARTFORD ACCIDENT AND INDEMNITY COMPANY

Company Code: 5

Policy Number: 30 WE CK5773 **Schedule Number:** 01-31-01

Effective Date: 10/01/12 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Location Address of operations covered by this schedule:

NEW YORK CITY OPERA, INC.
75 BROAD ST, STE 1010
NEW YORK NY 10004

NAICS:

FEIN: 132974347 UIN: SIC: 7922 NO. OF EMPL: 98

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

Classifications Code Number and Description	Premium Basis Total Estimated Annual Remuneration	Rates Per \$100 of Remuneration	Estimated Annual Premium
8017 STORES: RETAIL STORE NOC - NO SERVICE OF FOOD	203,649	1.36	2,770
8809 EXECUTIVE OFFICERS - NOC - NOT FOREMEN, WORKERS OR SALESPERSONS	194,800	.21	409
8810 CLERICAL OFFICE EMPLOYEES NOC	1,864,827	.19	3,543
8868 COLLEGE - PROFESSIONAL EMPLOYEES & CLERICAL	37,365	.57	213
9157 THEATRICAL PRODUCTION DANCE SKATE PLAYERS OR MUSICIANS	IF ANY	4.48	

Countersigned by _____
Authorized Representative

Form WC 99 00 05 (1) Printed in U.S.A.

Process Date: 10/02/12

Policy Expiration Date: 10/01/13



SCHEDULE OF OPERATIONS

This Schedule of Operations forms a part of the policy effective on the inception date of the policy unless another date is indicated below:

INSURER: HARTFORD ACCIDENT AND INDEMNITY COMPANY

Company Code: 5

Policy Number: 30 WE CK5773 **Schedule Number:** 01-31-01

Effective Date: 10/01/12 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Location Address of operations covered by this schedule:

NEW YORK CITY OPERA, INC.
75 BROAD ST, STE 1010
NEW YORK NY 10004

NAICS:

FEIN: 132974347 UIN:

SIC: 7922

NO. OF EMPL: 98

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

Classifications Code Number and Description	Premium Basis Total Estimated Annual Remuneration	Rates Per \$100 of Remuneration	Estimated Annual Premium
9159 THEATRICAL PRODUCTION NOC - PLAYERS, ENTERTAINERS OR MUSICIANS	2,201,199	1.13	24,874
9160 THEATRICAL PRODUCTION NOC - ALL OTHER EMPLOYEES	1,584,775	1.60	25,356
 TOTAL CLASS PREMIUM			57,165
TOTAL PREMIUM SUBJECT TO EXPERIENCE MODIFICATION			57,165
NY - INTRA EXPERIENCE MODIFICATION			1.360
PREMIUM ADJUSTED BY APPLICATION OF EXPERIENCE MODIFICATION			77,744
TOTAL ESTIMATED ANNUAL STANDARD PREMIUM			77,744
PREMIUM DISCOUNT 10.2 PERCENT			-7,930
NEW YORK STATE ASSESSMENT (0932) 18.80 PERCENT			15,188
TERRORISM (9740)	6,086,615	.040	2,435
TERRORISM (9740) PER CAPITA 2.9 PERCENT			0
CATASTROPHE (9741)	6,086,615	.010	609
CATASTROPHE (9741) PER CAPITA 0.7 PERCENT			0
TOTAL ESTIMATED ANNUAL PREMIUM			88,046

Countersigned by

Authorized Representative

Form WC 99 00 05 (1) Printed in U.S.A.

Process Date: 10/02/12

Policy Expiration Date: 10/01/13

POLICY FACE SHEET

27

01 INSURER:
AM HARTFORD INSURANCE GROUP
UUM

POLICY NO.: 30 UUM AM0127 K3

COMMON POLICY DECLARATIONS

ITEM

1. NAMED INSURED AND
MAILING ADDRESS: NEW YORK CITY OPERA INC.
75 BROAD ST STE 1010
NEW YORK NY 10004
(NEW YORK COUNTY)

2. POLICY PERIOD: FROM 07/01/13 TO 07/01/14

3. AGENT'S OR BROKER'S CODE: 723008 RECORDS RETENTION - PERMANENT
AGENT'S OR BROKER'S NAME: MAURY DONNELLY & PARR INC

PREVIOUS POLICY NO.: 30 UUM AM0127

4. AUDIT PERIOD:

5. NAMED INSURED IS: NON PROFIT ORG

6. DESCRIPTION OF YOUR BUSINESS: PROFESSIONAL OPERA COMPANY

PROPERTY COMPANY CODE: 1

INLAND MARINE COMPANY CODE: 1

POLICY STATUS: ACTIVE

LOB LEVEL OF SUPPORT: CP-S, IM-N

DIRECT ACCOUNT BILL NUMBER: 13808298

DIR SING BILL - MONTHLY/3 MO DOWN: INSURED

MARKET SEGMENTATION - 780

SIC CODE - 6512

E-COMMERCE ID: 2

PARTIALLY SUPPORTED

TRANS TYPE: RENL CNTL#: 001
FACE SHEET TERMINAL ID: R001V7OC PAGE 1
07/17/13 30 UUM AM0127 K3 (07/01/14)
H032

THIS SPECIAL MULTI-FLEX POLICY IS PROVIDED BY THE STOCK INSURANCE COMPANY(S) OF THE HARTFORD INSURANCE GROUP, SHOWN BELOW.

POLICY NO.: 30 UUM AM0127 K3

COMMON POLICY DECLARATIONS

NAMED INSURED AND NEW YORK CITY OPERA INC.
MAILING ADDRESS: 75 BROAD ST STE 1010
NEW YORK, NY 10004
(NEW YORK COUNTY)

POLICY PERIOD: FROM 07/01/13 TO 07/01/14
12:01 A.M., STANDARD TIME AT
YOUR MAILING ADDRESS SHOWN ABOVE.

AGENT'S OR BROKER'S CODE: 723008
AGENT'S OR BROKER'S NAME: MAURY DONNELLY & PARR INC

PREVIOUS POLICY NO.: 30 UUM AM0127

NAMED INSURED IS: NON PROFIT ORG

DESCRIPTION OF YOUR BUSINESS:
PROFESSIONAL OPERA COMPANY

INSURANCE PROVIDED:

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE INSURANCE AS STATED IN THIS POLICY.

THE COVERAGE PARTS THAT ARE A PART OF THIS POLICY ARE LISTED BELOW OR ON THE EXTENSION SCHEDULE ATTACHED. THE ADVANCE PREMIUMS SHOWN MAY BE SUBJECT TO ADJUSTMENT.

SUMMARY OF COVERAGE PARTS, INSURANCE COMPANY AND PREMIUM:

SEE EXTENSION SCHEDULE (FORM HM0012)

PREMIUM PAYABLE AT INCEPTION:

PREMIUM	\$12,890.00
NEW YORK FIRE FEE	\$6.42

TOTAL PREMIUM PAYABLE AT INCEPTION

COUNTERSIGNED BY _____
(WHERE REQUIRED BY LAW) AUTHORIZED REPRESENTATIVE DATE

COMMON POLICY DECLARATIONS (CONTINUED)

POLICY NO.: 30 UUM AM0127 K3

FORM NUMBERS OF COVERAGE PARTS,
FORMS AND ENDORSEMENTS THAT ARE A
PART OF THIS POLICY AND THAT ARE
NOT LISTED IN THE COVERAGE PARTS:

HM0001 HM00121185T IL00171198 IH09850312T IH99400409 IH99410409T
IL01830808 PC00010109T MS19401011 (10-11)

EXHIBIT B

STATEMENT OF PREMIUMS

NEW YORK CITY OPERA INC

Southern District of New York
 Chapter 11 Filed 10-03-13 case 13-13240

Summary

Policy	Effective Date	Total
30-SBM-BT4828	6/30/2013	\$ (6,364.03)
30-WE-CK5773	10/1/2012	\$ 31,827.05
30-UUM-AM0127	7/1/2013	\$ (6,901.39)
ACCOUNT LEVEL		\$ 81.00
Total		\$ 18,642.63

30-SBM-BT4828

Effective 06/30/13-14

Transaction	Effective Date	Total
Renewal	6/30/2013	\$ 4,834.00
Endorsement	6/30/2013	3,596.00
Endorsement	11/15/2013	(4,999.00)
Total Earned		\$ 3,431.00
Total Paid		(9,795.03)
Total Due		\$ (6,364.03)

30-WE-CK5773

Effective 10/01/12-13

Transaction	Effective Date	Total
Renewal	10/1/2012	\$ 92,325.00
Final Audit	10/1/2012	\$ 15,979.00
Total Earned		\$ 108,304.00
Total Paid		(76,476.95)
Total Due		\$ 31,827.05

30-UUM-AM0127

Effective 07/01/13-14

Transaction	Effective Date	Total
Renewal	7/1/2013	\$ 12,896.42
Endorsement	11/15/2013	\$ (3,424.80)
Endorsement	12/31/2013	(3,323.00)
Total Earned		\$ 6,148.62
Total Paid		(13,050.01)
Total Due		\$ (6,901.39)

ACCOUNT LEVEL

Transaction	Effective Date	Total
Service Fee		\$ 21.00
Late Fee		60.00
Total Earned		\$ 81.00
Total Paid		-
Total Due		\$ 81.00